

Fourth Year Evaluation of Riverboat Licensee for Rising Sun, Indiana: Grand Victoria Casino & Resort, LP

October 1999-September 2000

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Introduction

The Riverboat Gambling Act, effective July 1, 1993, authorized the Indiana Gaming Commission to issue licenses for the express purpose of riverboat gambling in the state of Indiana. One of the statutory criteria for issuance of these licenses is the applicant's ability to promote economic development in the home dock area while best serving the interest of the citizens of Indiana. As an aid to fulfilling its legislative requirements, the Indiana Gaming Commission (Commission) contracted with the Center for Urban Policy and the Environment (Center) of Indiana University's School of Public and Environmental Affairs to perform the economic impact, fiscal impact, financial, management, and other analyses required to assist the Commission in awarding licenses. As part of that contract, the Center has committed to monitor, over time, the economic impacts and fiscal returns from each riverboat operation.

On June 30, 1995, the Commission issued a Certificate of Suitability for a Riverboat Owner's License for a riverboat to be docked in Rising Sun, Indiana. Grand Victoria Casino & Resort, LP (Grand Victoria), formerly Rising Sun Riverboat Casino & Resort, LLC commenced full-time gaming operations on October 4, 1996. This report is an evaluation of Grand Victoria's fourth year of operation.

Project Development and Investment

Development Activities

In the Certificate of Suitability (referred to throughout as Certificate), Grand Victoria committed to spend approximately \$94.5 million on project development, in addition to pledging to the city of Rising Sun other incentives totaling several million dollars.

The 2,700-passenger riverboat opened with 40,000 square-feet of gaming space. A facility consisting of a 200-room hotel, a 125,000-square-foot permanent pavilion, and 2,000 parking spaces opened on July 25, 1997, and a 1,100-seat events/showroom that is part of the permanent pavilion was opened on December 31, 1997. Construction of an 18-hole golf course was begun in the summer of 1998 and opened in the spring of 2000.

Grand Victoria spent \$48.5 million more than agreed to in the Certificate for the development of the project, including an additional \$15.8 million for the boat, \$6.6 million more than projected for casino equipment, and \$24.5 million more than projected for land-based construction. The additional land-based construction costs funded upgrades to Rising Sun's water, sewage, and electrical systems.

Other Commitments

As Table 1 illustrates, Grand Victoria is on schedule with all of its incentive payments. Grand Victoria has completed all one-time payments. The only ongoing payment is the \$1 per admission that is contributed to the Rising Sun Regional Foundation. The agreement between Grand Victoria and Rising Sun states that this payment will continue in perpetuity.

Table 1: Schedule and Description of Incentive Payments

Incentive	Promised Amount	Recipient	Amount Paid Through 9/30/97	Amount Paid through 9/30/98	Amount Paid through 9/30/99	Amount Paid through 9/30/00	Status
A)Rising Sun Redevelopment Commission	\$3,500,000	City of Rising Sun	\$2,157,296	\$1,031,077	\$311,627		Complete year 3
B)Community Park	\$500,000	City of Rising Sun	\$207,594	\$250,248	\$42,158		Complete year 3
C)Rising Sun/Ohio County Convention, Tourism, & Visitors Bureau	\$300,000	City of Rising Sun	\$300,000				Complete year 1
D)Contribution to Rising Sun Regional Foundation	\$1 per admission, no limit	City of Rising Sun	\$2,156,393	\$3,683,677	\$3,309,196	\$3,234,333	Current
E)Road improvement advance ¹	Up to \$4,000,000	City of Rising Sun	\$689,372				City has paid back loan
F) Road improvements	Up to \$2,500,000	Indiana Dept. of Transportation	\$2,500,000				Complete year 1
G) Reimbursement for legal, financial, and consulting fees	Up to \$112,500	City of Rising Sun	\$112,500				Complete year 1

¹These funds represent a loan to the town of Rising Sun; the funds were repaid to Grand Victoria through a reduction in its admission tax to the town of Rising Sun.

Table 2 represents the city of Rising Sun's budgeted use of riverboat revenue in 2000. This is in addition to revenue sharing, detailed below in Table 4.

Table 2: City of Rising Sun Riverboat Fund

Capital Outlays	Amount
Communications	\$75,000
Wastewater	\$296,600
Water	\$451,557
Electric	\$133,798
Riverfront Erosion	\$500,000
Infrastructure 56N	\$650,000
Industrial Dr Improvement/Learning Resource Center	\$45,000
Fourth Street Bridge Project	\$200,000
Street Dept Access Road	\$159,570
New Garage	\$112,758
Landscaping	\$10,000
Street Signage	\$15,000
Street Paving	\$200,000
Drainage Improvements	\$40,000
Salt Building	\$21,757
Poplar Street	\$195,000
Sidewalks And Curbs	\$100,000
Equipments	\$25,000
Park Phase 2	\$200,000
Park Phase 1	\$165,000
Housing Grant Match	\$30,000
Purchase Of Property	\$25,000
Misc. Equipment	\$15,000
City Hall	\$5,000
Medical Center	\$150,000
Highway Repayment	\$300,000
Police Department	\$52,200
Capital Outlays-Other	\$4,829,890
Total Capital Outlays	\$9,003,129

Table 2: City of Rising Sun Riverboat Fund (continued)

Other Services And Charges	Amount
Schools	\$500,000
Library	\$49,932
Port Authority	\$25,000
Dearborn Co. Water Rescue	\$10,000
Historical Society	\$15,000
Council on Aging Area 12	\$10,000
Park Fund Budget Commitment	\$132,027
Elevators/Hoosier Boy & Girl	\$49,000
Ohio County Community Foundation	\$65,000
Economic Development	\$65,000
Miscellaneous Services	\$5,000
Legal Services	\$25,000
Promotional Fund	\$10,000
Contractual Services	\$90,998
General Fund Transfers	\$867,973
City Waste	\$75,000
Life Squad	\$100,000
Fire Department	\$100,000
Police Department Personal Services	\$28,818
Police Department Supplies	\$15,700
Police Department	\$28,282
Other Services And Charges	\$3,136,755
Total Other Services And Charges	\$5,404,485
Total	\$14,407,614

For every casino admission, Grand Victoria makes a \$1 contribution to the Rising Sun Regional Foundation. The Rising Sun Regional Foundation has used \$1,550,000 to assist in the establishment of other community foundations in Dearborn, Ripley, and Switzerland counties. Another \$546,295 has been set aside as a Permanent Reserve Fund. Table 3 lists the grants that the foundation has made to organizations in Southeastern Indiana in the last quarter of 1999 and the first three quarters of 2000:

Table 3: Rising Sun Regional Foundation Grants

Amount Paid	Recipient Name	Purpose
\$35,000	City of Rising Sun/Rising Sun Medical Center	Construct administrative office
\$50,000	Ohio County Commissioners	Toward improvements for public restrooms and new front steps
\$16,846	Ohio County Historical Society	Toward improvements for public restrooms and new front steps
\$9,000	Ohio County Extension Board	Purchase updated technology equipment
\$12,000	Ohio County First	Purchase needed equipment for the senior citizens community center
\$13,600	Ripley County Sheriff's Department	Purchase of bullet proof vests
\$10,000	Versailles Community Center, Inc.	Toward kitchen renovation
\$50,000	Ripley County Commissioners	Toward purchase of road grader
\$27,012	Milan Community School Corp.	Toward purchase of technology software
\$11,891	Ripley County Red Cross	Toward purchase supplies and equipment
\$2,289	Benham United Methodist Church	Purchase computer, printer and software
\$50,000	Milan Community School Corporation for the Southeastern Learning Center	For the learning center
\$25,000	Jac-Cen-Del Community School Corporation	Toward construction of outdoor track
\$50,000	Versailles Volunteer Fire Department	Toward construction of regional fire training facility
\$2,500	Osgood Lions Club	Toward replacement of school sign
\$13,172	Osgood Volunteer Fire Department	Challenge grant toward the purchase of breathing apparatus
\$5,562	Napoleon Volunteer Fire Department	Purchase of updated communications equipment
\$7,066	Versailles Volunteer Fire Department	Purchase of updated communications equipment
\$24,000	Area 12 Council on Aging and Community Services, Inc.	Toward the initial capital funding and development costs of regional public transportation services
\$15,000	New Marion Fire Department	Toward equipping a tactical and brush fire truck
\$2,500	Historic Hoosier Hills/Ohio, Indiana, Northern Kentucky Regional Productions	Toward regional summer music theatre production
\$2,500	Napoleon Community Recreation and Restoration Corporation	Presentation of live musical production
\$46,118	Ripley County Technology Department	Replacement of technology system
\$50,000	Ripley County Convention, Visitor and Tourism Convention	Challenge grant for commission and construction of public art work
\$15,370	Napoleon Volunteer Fire Department	Purchase of protective gear and technology equipment
\$15,350	City of Aurora	Toward restoration planning of Historic City Hall
\$50,000	Town of Osgood	Toward local match portion of a planned \$620,000 water line replacement
\$15,835	Dillsboro Volunteer Fire Department, Inc.	Toward purchase of air compressor equipment
\$2,168	Osgood Volunteer Fire Department, Inc.	Toward purchase of new pump and tank for brush truck
\$2,500	Napoleon Community Recreation and Restoration Corp./Performing Arts School of Ballet	Toward June 2000 professional children's ballet production
\$10,000	Ohio County Historical Society	Restoration of historic cemetery
\$2,500	Southeastern Indiana Art Guild	Purchase of transportable display boards
\$25,000	Aurora Volunteer Fire Company	Purchase of new air-pack and fire hose equipment
\$45,000	South Ripley Community School Corporation	Purchase of computers and printers
\$18,300	Sunman Park and Recreation Board	Upgrade the lighting system for baseball field
\$7,500	Ohio County Extension Board	Purchase of new copy machine
\$2,300	Hillforest Historical Foundation, Inc.	Pilot education program
\$42,000	Milan Community School Corporation	Toward technology system infrastructure upgrades

Table 3: Rising Sun Regional Foundation Grants (continued)

Amount Paid	Recipient Name	Purpose
\$2,000	Rising Sun-Ohio County Community School Corporation	Challenge grant to replace lighting system
\$67,500	DataServ, Inc.	Contract with consulting firm to provide technical assistance to school corporations
\$26,004	Ohio County Historical Society	Complete phase I of the museum renovation project
\$50,000	Ohio County Fairboard	Purchase and install two new sets of bleacher seating
\$50,000	Ohio County Health Department	Toward construction of new health department facility

\$25,000	City of Rising Sun	Toward development of professional management and strategic plan
\$17,000	Morris Volunteer Fire Association	Purchase of new safety equipment
\$50,000	Jac-Cen-Del Community School Corporation	Toward installation of infrastructure of comprehensive technology system
\$1,733	Jac-Cen-Del Community School Corporation	Purchase of new ceramic kiln and related equipment
\$3,000	Dearborn/Ohio Counties Chapter of the America Red Cross	Toward purchase of equipment and training materials
\$40,000	Batesville Soccer Club	Toward the development of soccer field
\$2,500	Ripley County Sheriff's Department	Purchase an in-care video camera
\$2,500	Ripley County Commissioners	Purchase a ram hoe attachment
\$44,376	Ripley County Recorder's Office	Toward purchase of equipment to electronically convert, store, and preserve records and documents
\$16,200	Town of Osgood	Toward purchase of rotator jet and sewer camera
\$6,900	Town of Holton	Toward replacement of an unsafe culvert and sidewalk
\$35,000	Main Street Aurora	Development of conceptual streetscape design and plan
\$2,000	Historic Hoosiers Hills Resource, Conservation and Development, Inc.	Pilot project to refurbish usable computers
\$1,500	Boy Scouts of America/Troop 607 in Versailles	Challenge grant toward purchase of trailer to transport troop gear
\$12,170	Aurora Volunteer Fire Department	Purchase of replacement pagers and other external communications equipment
\$40,000	Friendship Volunteer Fire Department	Toward purchase of a tanker unit
\$38,022	South Ripley Community School Corporation	Toward the renovation of the stage area
\$13,892	Ripley County Commissioners	Toward purchase of a new power broom
\$24,498	Otter Creek Volunteer Fire Department	Toward purchase of 20 new sets of fire-fighting turnout gear
\$50,000	Delaware Trustees/Delaware Volunteer Fire Department	Toward purchase of a new pumper truck
\$20,000	Ohio County Commissioners	Assist planning commission to upgrade and update local zoning codes and maps
\$25,000	City of Rising Sun	Toward riverbank erosion control project
\$2,500	Batesville Area Historical Society	Purchase computer system
\$25,000	Family Connections	Toward completion of new building
\$17,855	Rising Sun/Ohio County Schools	Toward purchase of materials and equipment
\$15,000	St. Mary School	Purchase of eight computer and related equipment
\$2,000	St. Vincent DePaul Food Pantry	Purchase a computer and related supplies
\$4,945	Rural Alliance for the Arts	Toward the initial production
\$2,500	Rising Sun Medical Center, Inc.	Toward initial publication costs of monthly newsletter
\$6,712	Batesville Community School Corporation	Toward purchase of eight school bus video cameras
\$50,000	Rising Sun/Ohio County Senior Citizens Housing, Inc.	Toward purchase of two adjacent lots to Hoosier Haven facility
\$50,000	Town of Napoleon	Development of new town park
\$15,000 (grant not to exceed)	Rising Sun Lion's Club	Toward renovation of building
\$6,750 (up to)	Versailles State Park	Toward purchase of an all terrain vehicle

Rising Sun and Ohio County each share one-half of the admission tax revenue received from admissions to Grand Victoria. Originally, each quarter, two counties and 14 municipalities received a portion of the proceeds from the admission tax, with the formula for revenue sharing based on population: the greater the population, the more money the government will receive. Ripley and Switzerland counties were part of this plan, as were the following municipalities: Aurora, Dillsboro, Greendale, Moores Hill, St. Leon, and West Harrison (Dearborn County); Holton, Milan, Napoleon, Osgood, Sunman, and Versailles (Ripley County); and Patriot and Vevay (Switzerland County). It should be noted that Switzerland County and its municipalities received funds until the fifth Ohio River certificate of suitability was awarded to Pinnacle (now known as Belterra) in Switzerland County. Pursuant to the original revenue-sharing agreement, these entities will no longer receive revenue-sharing funds. The only exception is Patriot, which, per the original agreement, received half of its original allocation until the Switzerland County boat opened. In addition, in 1999 and 2000, the only Dearborn County municipality that continued to receive revenue was Aurora, which also received half of its original allocation. (See Table 4)

Table 4: Revenue Sharing²

Recipient	1997 Amount (Rising Sun)	1997 Amount (Ohio County)	1998 Amount (Rising Sun)	1998 Amount (Ohio County)	1999 Amount (Rising Sun)	1999 Amount (Ohio County)	2000 Amount (Rising Sun)	2000 Amount (Ohio County)
Ripley	\$214,981	\$293,471	\$393,346	\$397,638	\$318,209	\$337,166	\$318,210	\$336,236
Switzerland	91,696	125,175	167,776	161,755				
Aurora	149,842	204,550	274,165	277,156	110,896	153,620	116,057	117,179
Greendale	151,989	207,481	278,092	281,126				
W. Harrison	12,451	16,997	22,782	23,030				
Saint Leon	19,321	26,375	35,350	35,736				
Moores Hill	25,403	34,678	46,479	46,987				
Dillsboro	47,014	64,178	86,020	86,959				
Milan	59,894	81,762	109,587	110,783	88,653	93,516	92,779	93,676
Sunman	24,401	33,310	44,646	45,134	36,118	38,099	37,799	38,164
Holton	17,675	24,128	32,340	32,692	26,161	27,597	27,379	27,644
Osgood	66,120	90,260	120,977	122,298	97,868	103,236	102,423	103,413
Napoleon	9,302	12,699	17,021	17,206	13,769	14,524	14,410	14,524
Versailles	70,127	95,730	128,310	129,710	103,800	109,493	108,630	109,680
Patriot	7,494	10,257	13,747	13,254	11,121	8,264	11,638	11,751
Vevay	54,527	74,435	99,768	96,188				
Total	\$1,022,238	\$1,395,486	\$1,870,406	\$1,877,653	\$806,600	\$887,514	\$829,325	\$852,293

²There is a difference in the amount of revenue distributed by Rising Sun and Ohio County through revenue sharing because both the city and the county subtracted administrative costs from the funds before distribution.

Community Activity

In the period from October 1999 through September 2000, Grand Victoria made donations to several community groups including Greendale Life Squad, American Cancer Society, and several scholarships. It also sponsored several community events including the Greater Cincy Ohio River – Poker Run, SIDS Golf Tournament, and the Historic Downtown Program. Grand Victoria's senior management is involved in several local organizations and is represented on several local boards of directors, including Ohio County Medical Board, City of Rising Sun Economic Development Committee, Ohio County Community Foundation and Rising Sun/Ohio County tourism board.

Minority/Women Business Enterprise

The Office of Minority Business Development and the Indiana Gaming Commission are currently reviewing the information provided by Grand Victoria to determine compliance.

Economic and Fiscal Impacts

Employment and Earnings Impacts

Grand Victoria began hiring and training the majority of its employees in November 1995. Hyatt provided training for all positions.

As Table 5 indicates, Grand Victoria estimated in its application employment of 1,657 persons in the casino and hotel for annual wages totaling approximately \$46 million. As of October 1, 2000, Grand Victoria had 1,286 employees. For 1999-2000, salaries and wages were \$35.3 million, including tips to dealers (but not to bar and wait staff). This figure is \$10.2 million less than the employee earnings Grand Victoria estimated in its application. Only full-time employees receive health care coverage and life insurance benefits.

As Table 5 illustrates, in 1999-2000, Grand Victoria had adjusted gross gaming receipts of \$155.9 million, or 23 percent more than its application estimate. It had total gross revenues of \$193.9 million, \$25.3 million more than the \$168.6 million estimated in its application. However, Grand Victoria overestimated receipts per passenger per trip. Total local taxes were \$14.3 million, or 34 percent more than the projection of \$10.7 million in Grand Victoria's application.

As Tables 5, 6, 7, and 8 indicate, Grand Victoria has exceeded forecasts in all four years in all areas except employees, wages, and win-per-patron per cruise. Table 9 compares the four years of operation.

Table 5: Comparison of Forecast to Actual Grand Victoria Operation 10/99-9/00

Category	Application Forecast Year 4	Actual 1999-2000	Difference
Employment as of 10/00	1,657	1,286	(371)
Total Wages, Tips, & Benefits	\$45,519,493	\$35,325,596	(\$10,193,897)
Attendance	2,190,00	3,234,333	1,044,333
Gross Gaming Receipts	\$126,759,938	\$155,850,109	\$29,090,170
\$ Per Patron per Cruise	\$58	\$48	(\$10)
Gaming Tax (State)	\$19,013,991	\$23,405,853	\$4,391,862
Gaming Tax (Local)	\$6,337,997	\$7,801,951	\$1,463,954
Admission Tax (State)	\$2,190,000	\$3,234,333	\$1,044,333
Admission Tax (County)	\$2,190,000	\$3,234,333	\$1,044,333
Admission Tax (City)	\$2,190,000	\$3,234,333	\$1,044,333

Table 6: Comparison of Forecast to Actual Grand Victoria Operation 10/98-9/99

Category	Application Forecast Year 3	Actual 1998-1999	Difference
Employment as of 10/99	1,657	1,390	(267)
Total Wages, Tips, & Benefits	\$43,351,899	\$31,091,252	(\$12,260,647)
Attendance	2,190,00	3,309,196	1,119,196
Gross Gaming Receipts	\$120,723,750	\$145,548,282	\$24,824,532
\$ Per Patron per Cruise	\$55	\$44	(\$11)
Gaming Tax (State)	\$18,108,564	\$21,876,380	\$3,767,816
Gaming Tax (Local)	\$6,036,188	\$7,292,127	\$1,255,939
Admission Tax (State)	\$2,190,000	\$3,309,196	\$1,119,196
Admission Tax (County)	\$2,190,000	\$3,309,196	\$1,119,196
Admission Tax (City)	\$2,190,000	\$3,309,196	\$1,119,196

Table 7: Comparison of Forecast to Actual Grand Victoria Operation 10/97-9/98

Category	Application Forecast Year 2	Actual 1997-1998	Difference
Employment as of 10/98	1,398	1,407	9
Total Wages, Tips, & Benefits	\$41,287,523	\$38,326,037	(\$2,961,486)
Attendance	2,190,000	3,683,677	1,493,677
Gross Gaming Receipts	\$114,975,000	\$163,412,076	\$48,437,076
\$ Per Patron per Cruise	\$53	\$44	(\$9)
Gaming Tax (State)	\$17,246,250	\$24,592,682	\$7,346,432
Gaming Tax (Local)	\$5,748,750	\$8,197,561	\$2,448,811
Admission Tax (State)	\$2,190,000	\$3,683,677	\$1,493,677
Admission Tax (County)	\$2,190,000	\$3,683,677	\$1,493,677
Admission Tax (City)	\$2,190,000	\$3,683,677	\$1,493,677

Table 8: Comparison of Forecast to Actual Grand Victoria Operation, 10/96-9/97

Category	Application Forecast Year 1	Actual 1996-1997	Difference
Employment as of 10/97	1,398	1,591	193
Total Wages, Tips, & Benefits	\$39,321,450	\$32,216,595	(\$7,104,855)
Attendance	2,190,000	3,050,094	860,094
Gross Gaming Receipts	\$109,500,000	\$134,636,015	\$25,136,015
\$ Per Patron per Cruise	\$50	\$44	(\$6)
Gaming Tax (State)	\$16,425,000	\$20,292,283	\$3,867,283
Gaming Tax (Local)	\$5,475,000	\$6,764,094	\$1,289,094
Admission Tax (State)	\$2,190,000	\$3,050,094	\$860,094
Admission Tax (County)	\$2,190,000	\$3,050,094	\$860,094
Admission Tax (City)	\$2,190,000	\$3,050,094	\$860,094

Table 9: Comparison of Year 1 to Year 2 to Year 3 to Year 4

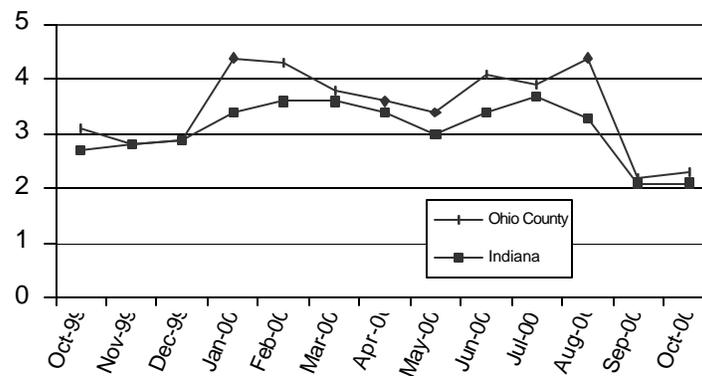
Category	Actual 1996-97	Actual 1997-98	Actual 1998-99	Actual 1999-00	Difference 99-00
Employment as of 12/31	1,591	1,407	1390	1,286	(104)

Total Wages, Tips & Benefits	\$32,216,595	\$38,326,037	\$31,091,252	\$35,325,596	\$4,234,344
Attendance	3,050,094	3,683,677	3,309,196	3,234,333	(74,863)
Gross Gaming Receipts	\$134,636,015	\$163,412,076	\$145,548,282	\$155,850,109	\$10,301,827
\$ Per Patron per Cruise	\$44	\$44	\$44	\$48	\$4
Gaming Tax (State)	\$16,425,000	\$24,592,682	\$21,876,380	\$23,405,853	\$1,529,473
Gaming Tax (Local)	\$6,764,094	\$8,197,561	\$7,292,127	\$7,801,951	\$509,824
Admission Tax (State)	\$3,050,094	\$3,683,677	\$3,309,196	\$3,234,333	(74,863)
Admission Tax (County)	\$3,050,094	\$3,683,677	\$3,309,196	\$3,234,333	(74,863)
Admission Tax (City)	\$3,050,094	\$3,683,677	\$3,309,196	\$3,234,333	(74,863)

As of October 2000, three percent of Grand Victoria employees were minorities, 28 percent were from Ohio County, and 80 percent were residents of Dearborn, Ohio, Ripley, and Switzerland counties. In its application, Grand Victoria's goal was to have 90 percent of local employees (defined as residents of Dearborn, Ohio, Ripley, and Switzerland counties). Grand Victoria has fallen short of its projected percentage of employees who are local residents. One explanation for this shortfall is the relatively small labor force available for work in those counties. As of October 2000, 18 percent of Grand Victoria's employees were from out-of-state, with the majority from Ohio.

As Figure 1 illustrates, the unemployment rate in Ohio County has stayed low in 2000, as has the state unemployment rate. As of October 2000, the unemployment rate in Ohio County was 2.3 percent, slightly higher than the state rate of 2.1 percent.

Figure 1: Unemployment Rates: Ohio County and Indiana



Local Economic Impact

In addition to the gaming taxes paid to the city and state, Grand Victoria paid \$796,647 in sales and use taxes. Grand Victoria paid \$798,152 in property taxes in 1999-2000. Payroll of \$35.3 million and purchases of \$2.0 million from local vendors also contributed to the local economy. The presence of the riverboat has led to some new developments including the opening of three galleries, several gift shops, and a restaurant.

Impact on Tourism

Through the end of September 2000, approximately 30 percent of the total trips to Grand Victoria were made by Indiana residents, with approximately one-third of the Indiana trips (11 percent of total trips) from the local area. In 1999-2000, Grand Victoria had 3.2 million paid admissions. This attendance is approximately one million greater than Grand Victoria's attendance projection in its application.

Grand Victoria, in conjunction with the Rising Sun/Ohio County Convention, Tourism & Visitors Bureau, the Historic Downtown Program, and the Rising Sun Redevelopment Commission is distributing a brochure at the tourism booth in the pavilion that promotes a free shuttle that travels from the casino to downtown Rising Sun and back. The goal of this marketing tool is to help Rising Sun capture some of the tourist business that results from Grand Victoria's presence in the community.

Legal Issues

Grand Victoria had eight outstanding suits in 1998-1999, two from patrons and six from employees. No new suits were filed in this time period. A total of 75 arrests were issued on Grand Victoria property during this period, less than in 1998-99. The largest arrest category was public intoxication (47). Grand Victoria security checked 19,001 identifications and turned away 190 patrons who either were under 21 or had no identification. The chief of the Rising Sun police indicated that the main increase in crime in the area that can be attributed to the riverboat is the increase in alcohol related crimes, especially "driving under the influence," which has increased substantially from the period before the riverboat opened. Less than .0003 percent of total visits resulted in a citation or arrest.

Other Impacts

There are other impacts that can result from the location of a riverboat in a community. For example, compulsive gambling might become a problem, and as a result, lead to higher rates of bankruptcy and/or greater need for social services. In 1999-00, nine calls for help with gambling problems were made by Dearborn County residents, three calls were made by Jefferson County residents, one call was made by an Ohio County residents and one by a Ripley County resident to the "Deal With It" line that is contracted through the Commission for a Drug Free Indiana. Switzerland County residents did not make any calls. In the previous year, two calls were made by Dearborn County residents, one call by an Ohio County resident, one call by a Ripley County residents and no calls were made by a Jefferson County resident.

Grand Victoria has made efforts to minimize negative impacts. Grand Victoria has trained employees concerning compulsive gambling and developed a brochure that provides patrons with information on the warning signs of compulsive gambling and where problem gamblers can receive help. It also displays the 1-800-9-WITH-IT message on all material handed to patrons as well as post it on signs near casino cages. Grand Victoria has a self-eviction program for individuals who wish to be banned from the facility. Any attempts by these individuals to enter the casino can result in their arrest for trespassing. The first self-eviction lasts at least six months. To be reinstated the patron must speak with the Director of Security. If they are reinstated and ask for another self-eviction at a later time, that self-ejection is permanent.

Summary of Findings

Grand Victoria has met the requirements of its Certificate in many areas:

- Grand Victoria spent a total of \$143 million on development, \$48.5 million more than estimated in the Certificate of Suitability.
- Grand Victoria is on schedule with all of its incentive payments.
- Grand Victoria has sponsored several community events; its senior management is represented on many boards; and the company has made numerous donations to community groups.
- State and local gaming taxes were \$9.0 million higher than projected in Grand Victoria's application for year 4.
- Grand Victoria paid \$796,647 in sales and use taxes and \$798,152 in property taxes.
- Grand Victoria has been proactive in developing programs for compulsive gambling.

Grand Victoria has not met its projections in the following areas:

- Employment in year 4 totaled 1,286 employees, 371 less than projected.

- Employee wages, tips, and benefits in year 4 totaled \$35.3 million, approximately \$10.2 million less than projected.
- Receipts per passenger per trip averaged \$48 in year 4, less than the estimated \$58 Grand Victoria projected in its application.
- Grand Victoria has not met its local hiring goal of 90 percent but has increased from last year to 80 percent.